## Army Acquisition Reform Newsletter



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Army Acquisition Reform Web Site: http://acqnet.sarda.army.mil/acqref/default.htm Questions? Contact LTC Dan Gallagher, (703) 681-9479, gallaghd@sarda.army.mil

## Award of Multiyear (MY) System Contracts

On February 11th, 1999, the Tank Ammo Team at Headquarters, Industrial Operation Command (IOC), awarded two MY system contracts for FY 99 -03 120mm Tank Training Ammo requirements to Alliant Tech Systems and Primex Technologies. The combined value is \$771M which represents savings in excess of \$105M due to MY Vs. single year strategy, and more than \$49M in savings compared with the previous contract prices. The success of this acquisition is attributable to a strong partnering relationship with the system contractors. Joint efforts on numerous program initiatives brought the best ideas from the contractor and Government technical communities to bear in addressing user concerns and productivity issues, while reducing MY hardware costs.

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## Sale/Exchange of Nonexcess Government Personal Property

The General Services Administration (GSA) has approved the Army Materiel Command's (AMC) request for a waiver to the Federal Property Management Regulation. The GSA approval permits AMC to sell or exchange 32,000 tool kits over the next two years. The proceeds of the sale or exchange will be used to reduce the cost of purchasing new tools kits. If, over the two year period, it appears there has been no adverse impact on Federal or state agencies that reutilize tools kits, and if AMC can demonstrate that it would be able to sell significantly more than 32,000 kits, GSA will consider extending the waiver for another three years for up to a total of 80,000 tool kits.

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